

**Special Meeting Emergency Minutes  
Saturday, August 30, 2008  
Meeting Scheduled Start Time: 9:00 AM**

**BOARD OF SUPERVISORS  
Maricopa County, Arizona  
(and the Boards of Directors of the Flood Control  
District, Library District, Stadium District, Improvement  
Districts, and/or Board of Deposit)**



"The mission of Maricopa County is to provide regional leadership and fiscally responsible, necessary public services to its residents so they can enjoy living in healthy and safe communities"

**Board Members**

Andrew Kunasek, District 3, Chairman  
Max Wilson, District 4, Vice Chairman  
Fulton Brock, District 1  
Don Stapley, District 2  
Mary Rose Wilcox, District 5

**County Manager**

David Smith

**Clerk of the Board**

Fran McCarroll

**Meeting Location**

Sullivan Conference Room  
301 W. Jefferson, 10th Floor  
Phoenix, AZ 85003

**SPECIAL NOTICE OF AN EMERGENCY EXECUTIVE SESSION AND OPEN SESSION OF  
THE MARICOPA COUNTY BOARD OF SUPERVISORS**

Pursuant to A.R.S. § 38-431.02(D), notice is hereby given that an emergency Executive Session and Open Session of the Maricopa County Board of Supervisors was held on Saturday, August 30, 2008 in Sullivan Conference Room, 301 W. Jefferson, 10<sup>th</sup> Floor, Phoenix, AZ. The need for Maricopa County to timely file the requested action is due to the inability of the teachers in the Regional School District #509 to be timely compensated as outlined in the Agenda. This constitutes a declaration of an emergency and requires the Board of Supervisors to convene a special emergency meeting at 9:00 am, on August 30, 2008, in the Sullivan Conference Room, 301 W. Jefferson – 10<sup>th</sup> floor, Phoenix, AZ.

Maricopa County cannot make a loan of County funds to the District or allow the County Treasurer, through the Board of Deposit, to honor warrants not backed by cash on hand for the governmental unit drawing the warrant, Maricopa County can mitigate and obviate potential claims in order to save taxpayer resources; and an emergency is declared to exist as Maricopa County learned on August 29, 2008, that the aid available from the State will not be available until September 15, 2008, and by that time the lack of salaries and health insurance for the teachers and staff may cause additional claims and alleged damages (though not owed by Maricopa County, requiring taxpayer resources to deal with); and by passing this IGA, the Board of Supervisors complies with ARS 38-431.02(J), along with the statement made on the record at the emergency meeting of the Board of Supervisors on this date.

**BOARD OF SUPERVISORS**

The Board of Supervisors of Maricopa County Arizona convened in Special Emergency Session at 9:00 AM on Saturday, August 30, 2008, in the Sullivan Conference Room with the following members present: Andrew Kunasek, Chairman, District 3; Don Stapley, Supervisor, District 2 (attended telephonically); Max Wilson, Supervisor, District 4; Wilcox, Supervisor, District 5. Absent: Supervisor Brock, Supervisor District 1. Also present: Lori Pacini, Deputy Clerk of the Board; Sandi Wilson Deputy County Manager (attended telephonically); Dean Wolcott, Outside Counsel (attended telephonically).

**1. EXECUTIVE SESSION**

Vote to convene in Executive Session to consider the items listed below, pursuant to the statutory authority listed for each item.

## **EXECUTIVE SESSION**

**E-1. LEGAL ADVICE - §ARS 38-431.03(A)(3) PENDING OR CONTEMPLATED LITIGATION - §ARS 38-431.03(A)(4)**

**Flach v. the Maricopa County Board of Supervisors; CV2006-052611, Counterclaim and Third Party Claim, in consolidated case CV2006-014285 (Hoskins v. Flach) (including related appeals); and Maricopa County v. Sandra E. Dowling and Dennis R. Dowling; CV2006-011451**

*Tom Irvine, Outside Counsel*

*Rebekah Francis, Outside Counsel*

*Brian Hushek, Deputy Budget Director*

**~ The Board did not vote to go into Executive Session. ~**

## **OPEN SESSION**

### **Office of Management and Budget**

**2. Approve an Intergovernmental Agreement (IGA) between Maricopa County and the Maricopa County Regional School District #509.**

Chairman Kunasek stated the Department of Education issued a letter approving the cash advance request from the Maricopa County Regional School District and funds would be advanced to the Regional Schools on September 15, 2008. Kunasek went on to say he did not feel that any more time should go by without the teachers receiving compensation. Tom Irvine, Outside Council, explained in an effort to mitigate claims against the County and to ensure salaries and insurance premiums were paid in a timely manner, an intergovernmental agreement was drafted which allows the teachers to receive compensation while ensuring the County's reimbursement of the cash advance upon the District's receipt of the monies from the State.

Dean Wolcott, Outside Council, informed the Board that due to the potential claims against the County, the Emergency Special Session Meeting was warranted.

Supervisors Wilcox and Wilson asked what assurances were in place to ensure that this will not happen again in the near future. In addition they asked what steps would be taken to ensure the Treasurer's Office would not sweep the funds.

Mr. Irvine explained that the intergovernmental agreement included provisions for the County Manager to work with the Treasurer's Office and the District to ensure that the monies were handled as outlined in the intergovernmental agreement. Irvine also explained that the Treasurer's Office has not seen the intergovernmental agreement, but staff would work with the Treasurer's Office to make sure they are on board.

Supervisor Wilcox asked if the Board signs this intergovernmental agreement today, when will the teachers get paid. Irvine stated that they would get it going on Tuesday, if they are able to get ahold of everyone over the weekend.

Supervisor Stapley asked if the funds can be segregated so that the staff and teachers are paid, but not the central administration. Mr. Irvine stated that the central

office supports the Juvenile program and he was not comfortable segregating the funds because there are not clear lines on who does what. Supervisor Stapley stated that he felt it was risky to make a cash advance, but if Tom Horne, Superintendent of Public Instruction, Department of Education, has guaranteed the State's cash advance and if the District signs the IGA prior to the disbursement of the County's cash advance, then he felt it was worth the risk.

Supervisor Wilcox made the motion for approval and Supervisor Wilson seconded the motion. Supervisor Stapley asked for a correction to the language to Paragraph 2.1 of the IGA to change the word from "loan" to "cash advance" since the IGA specifically states the County cannot make a loan of funds. Supervisors Wilcox and Wilson amended their motions to reflect this change.

Ayes: Kunasek, Stapley, Wilcox, Wilson  
Absent: Brock

Note: The IGA is on file in the Clerk of the Board's Office.

**MEETING ADJOURNED**

After consideration of the above item and there being no further business to come before the Board, the meeting was adjourned.

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Andrew Kunasek, Chairman of the Board

ATTEST:

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Lori Pacini, Deputy Clerk of the Board